

## STATE OF TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE

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### Frequently Asked Questions regarding Residential Building Codes Chapter 529 of the Public Acts of 2009 April 8, 2010

1. What edition of the International Residential Code is the State Fire Marshal's Office (SFMO) going to adopt?

The SFMO has filed rules that adopt the 2009 edition of the International Residential Code (IRC) with a few amendments. The SFMO will allow energy code compliance be met through meeting the standards of either Chapter 11 of the 2009 IRC or the 2006 edition of the International Energy Conservation Code.

#### 2. What does this new law mean with respect to zoning?

Chapter 529 of the Public Acts of 2009 (the law) does not address zoning and the state will not be enforcing zoning in a city or county. However, any county or city having a planning office could consider having that office act as an "issuing agent" for the state and performing some of the administrative functions of the new law under contract with the state.

#### 3. Will the code adopted by the SFMO apply to renovations?

No. The law only applies to <u>new construction</u>. The law prohibits the SFMO from applying the one and two family residential code to renovations.

#### 4. Will the adopted code require residential sprinklers?

The law prohibits the SFMO from requiring sprinklers in one and two family residences. Under the filed rules, sprinklers will be required three unit townhouses with 5,000 gross square feet or more and townhouses built with four or more units regardless of square footage. A local government may adopt a code that requires sprinklers.

# 5. Will the state be enforcing various locally adopted one and two family residential codes?

No. The SFMO will only be enforcing the codes it adopts. Local governments will be responsible for enforcing any other code or requirement. (A local government might contract with a certified inspector that also serves as a state contract inspector to perform inspections to enforce its local code.)

### 6. Where will builders or property owners go to obtain a building permit?

The SFMO will contract with "issuing agents" to issue building permits throughout the state so that a building permit can be obtained in each area where the state is enforcing residential building codes.

### 7. How long will it take to get an inspection?

The law requires all inspections to occur within three working days of when the request is made to the inspector, except for footer inspections which are to be performed within one working day of the request. Additionally, the rules allow any inspection to be waived if an inspection letter approving the work is signed and submitted by an architect or engineer currently registered in the State of Tennessee.

#### 8. How many inspections will be required?

Three inspections will be required at the start of the program for foundation, frame and masonry, and final. After a year, inspections will also be required on plumbing and mechanical systems.

# 9. What is the effect of a city or county opting out of the legislation by a two-thirds vote by its legislative body?

If a city or county opts out of the legislation, the new law would not apply to the city or county (outside the cities) and neither the new residential code nor any benefits of having a one and two family residential code would apply in the jurisdiction unless the local government enforces its own code after opting out.

# 10. If a city or a county wants to opt out of the residential building code requirements, when does it have to do that?

A city or county may opt out at any time. The law allows a city or county to opt out through the passage, by a two-thirds vote, of a resolution to exempt the city or county. The opt out resolution expires 180 days following the date of the election for the city or county's legislative body. If the subsequent legislative body does not vote to opt out prior to the expiration of the opt out resolution, the SFMO will begin to enforce the residential building code requirements and will enforce them until the city or county decides to enforce residential building codes or passes another opt out resolution.

11. If a city or county is currently enforcing a one and two family residential code, and does not opt out, will the city or county be affected with respect to its one and two family residential code enforcement?

The SFMO has developed a simple form for cities and counties to complete to become an "exempt" jurisdiction for residential building code enforcement. As long as the city or county has a code that is current within seven years of the latest edition (other versions can be approved in writing by the SFMO) the jurisdiction will not be affected except to show that it is adequately enforcing its code. The Department requests 90 days notice if a city or county wants to change who enforces residential building codes to ensure deputy building inspectors and issuing agents are obtained or notified of the changes.

12. If a city or county does not opt out and does not enforce its own residential code (current within seven years or approved in writing), will the SFMO enforce the one and two family residential code in the jurisdiction?

Yes. The SFMO will utilize contract employees (like it does with the electrical inspection program) and/or agreements with local governments to provide for inspections. The SFMO has been offering and will be providing classes to ensure that we have certified inspectors available to perform the required inspections.

### 13. How do you become an issuing agent?

The Department is finalizing the process to advertise for and contract with entities to be issuing agents. Issuing agents will receive \$15 for each permit sold.

#### 14. How do you become a deputy building inspector?

The law allows the Department to contract with individuals through a professional corporation or contract with a city or county to perform inspections on behalf of the Department as deputy building inspectors. Individuals acting as deputy building inspectors must be certified by the state in the area in which they will perform inspections. The Department is finalizing the process to advertise for and contract with deputy building inspectors.

15. What are the benefits for and costs to citizens in a city or county with a qualifying one and two family residential code?

First, consumers will have protection from substandard construction and will benefit from the reduced energy costs in soundly constructed homes. The U. S. Department of Energy estimates that homes built to a modern code save 30% to 50% in energy usage costs. Appraisals of energy-efficient homes could be higher than one that does not meet energy standards, which could impact mortgage loan to value ratios positively.

Identifying any mistakes before they have been concealed by further construction will make any correction less costly. Reputable home builders benefit from having standards that apply to all contractors and from enforcement of those standards.

Homes built to a residential code are safer.

Homes required to properly dispose of waste will protect the environment.

New homeowners in cities and counties with codes that are effectively enforced may benefit from an ISO Building Code Effectiveness Grading System premium discount on their homeowner's insurance. Homes that are constructed meeting higher standards may suffer less damage in a storm, for example, and in the long term reduced claims would impact risk-based insurance rates.

With respect to costs, the permitting and inspections will require an initial fee established by rule to offset the expenses of permitting and inspections. It is anticipated that this fee will be based on the costs/size of the home being constructed and will be comparable to fees typically charged in jurisdictions in Tennessee that have adopted residential codes. Reduced energy costs more than offset applicable permitting and inspection fees in a very short period of time, which impacts the long-term affordability of a residence.

### 16. What are the benefits for a city or county that does not opt out?

Included in the state budget this year is a \$500,000 appropriation to provide training and materials to implement modern one- and two-family residential codes in the state. This money will be used to help local governments that desire to adopt a code meeting the requirements of the law (current within 7 years) and to train and provide materials for those involved in implementing the state program.

Also, \$9.3 million of ARRA (American Recovery and Reinvestment Act of 2009) money will be used to provide grants of up to \$100,000 to small and mid-sized local governments for energy-efficient use with a preference for cities and counties with modern one- and two-family residential codes, whether enforced locally or by the state. 146 local governments applied for the 93 grants. The Department of Economic and Community Development is currently reviewing and scoring the applications to determine which local governments will be awarded the grants.

# 17. Where can I get additional assistance or information regarding Chapter 529 of the Public Acts of 2009?

Additional information can be obtained by contacting the Tennessee Department of Commerce and Insurance's Division of Fire Prevention at 615-741-2981. Additional information regarding grants can be obtained by contacting the Energy Office of the Tennessee Department of Economic and Community Development at 615-741-2994.